

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6859**

**BILL NUMBER:** HB 1088

**NOTE PREPARED:** Dec 19, 2002

**BILL AMENDED:**

**SUBJECT:** School Bonds for Retirement or Severance Liability.

**FIRST AUTHOR:** Rep. Austin

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill extends the sunset date for issuance of school corporation bonds for retirement or severance liability from December 31, 2003, to December 31, 2004.

**Effective Date:** July 1, 2003; December 31, 2004.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** The Department of Local Government Finance has approved 48 retirement or severance bonds totaling \$219,416,615 for local schools during CY 2001 and CY 2002. Approximately 88% of the bonds were approved during CY 2002. With the extension of the sunset clause, an additional 40 to 50 schools might use the bonding procedure. Schools are required to reduce their levies in other school funds by an amount necessary to fund the bond issue.

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:** Melissa Henson, Department of Local Government Finance, 317-232-3785.

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825